
HOUSE BILL No. 1111

DIGEST OF INTRODUCED BILL

Citations Affected: IC 34-9-4; IC 34-44-3.

Synopsis: Negligence actions and insurers. Provides that, in an action for damages based on negligence, an insurer shall be made a party defendant if: (1) the action is brought by a plaintiff in Indiana and based on a claim against the insured; and (2) the insurer has an interest in the outcome of the action that is adverse to the plaintiff or any other party in the action or, by its policy of insurance, assumes or reserves certain rights or agrees to take certain actions. Specifies that, if a policy of insurance is issued or delivered by an insurer outside Indiana, the insurer shall be made a party defendant only if the damage allegedly caused by negligence occurred in Indiana. Provides that, in an action for damages based on negligence, the court shall allow the admission into evidence of the fact that the wrongdoer is covered by liability insurance.

Effective: July 1, 2007.

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January 8, 2007, read first time and referred to Committee on Judiciary.

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First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

HOUSE BILL No. 1111

A BILL FOR AN ACT to amend the Indiana Code concerning civil procedure.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 34-9-4 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2007]:

4 **Chapter 4. Insurers as Parties**

5 **Sec. 1. Subject to section 2 of this chapter, in an action for**
6 **damages based on negligence, an insurer shall be made a party**
7 **defendant if:**

8 **(1) the action is:**

9 **(A) brought by a plaintiff in Indiana; and**

10 **(B) based on a claim against the insured; and**

11 **(2) the insurer:**

12 **(A) has an interest in the outcome of the action that is**
13 **adverse to the plaintiff or any other party in the action; or**

14 **(B) by its policy of insurance:**

15 **(i) assumes or reserves the right to control the**
16 **prosecution, defense, or settlement of the action; or**

17 **(ii) agrees to prosecute or defend the action brought by**

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the plaintiff or any other party in the action, engage an attorney to prosecute or defend the action, or pay the litigation costs of the action.

Sec. 2. If a policy of insurance was issued or delivered by an insurer outside Indiana, the insurer shall be made a party defendant under section 1 of this chapter only if the damage allegedly caused by negligence occurred in Indiana.

SECTION 2. IC 34-44-3 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

Chapter 3. Negligence Actions

Sec. 1. In an action for damages based on negligence, the court shall allow the admission into evidence of the fact that the wrongdoer is covered by liability insurance.

SECTION 3. [EFFECTIVE JULY 1, 2007] IC 34-9-4 and IC 34-44-3, both as added by this act, apply only to a cause of action that accrues after June 30, 2007.

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